

SECRET

Approved For Release 2005/04/13 : CIA-RDP79M00983A001300140005-5

213 RECORD COPY

Ind: W. Wilson

22 April 1977
OLC 77-1932

| |
|-----------|
| SSCI |
| 77-0532/8 |

MEMORANDUM FOR THE RECORD

SUBJECT: 22 April 1977 Briefing of the Senate Select Committee on Intelligence on the Edwin P. Wilson Case

1. On 22 April 1977 Admiral Stansfield Turner, DCI, E.H. Knoche, DDCI, and John Waller, IG, testified before the Senate Select Committee on Intelligence on the Edwin P. Wilson case. The Committee staff had been notified by the Agency of an impending second article in the Washington Post on the case and the Committee asked to hear the facts prior to the publication of the article. The briefing was held from 3:00 p.m. to approximately 4:00 p.m. in room 407 of the Capitol. Ben Marshall, Security Director of the Committee, arranged for a security sweep and technical monitoring of the room. A transcript was taken by Fred Ward.

2. Present from the Committee were:

Daniel K. Inouye (D., Hawaii), Chairman
Barry Goldwater (R., Ariz.), Vice Chairman
Robert Morgan (D., N.C.)
Gary Hart (D., Colo.)
Daniel P. Moynihan (D., N.Y.)
William D. Huddleston (D., Ky.)
Clifford Case (R., N.J.)
Richard G. Lugar (R., Ind.)
Malcolm Wallop (R., Wyo.)

3. Members of the staff present were:

| | |
|-----------------|-----------------|
| William Miller | Ed Levine |
| Earl Eisenhower | Stan Taylor |
| Dan Childs | Barbara Chesnik |
| Mike Epstein | Audrey Hatry |
| Spencer Davis | Ben Marshall |
| Elliot Maxwell | Anne Karalekas |
| Tom Moore | John Elliff |
| Sam Bouchard | Paula Schwartz |
| Jean Evans | Mark Gitenstein |

Approved For Release 2005/04/13 : CIA-RDP79M00983A001300140005-5

SECRET

SECRET

Approved For Release 2005/04/13 : CIA-RDP79M00983A001300140005-5

4. Accompanying the Director, DDCI and Mr. Waller were:

George L. Cary, Legislative Counsel

[redacted] Executive Assistant to the DCI

[redacted] Assistant Legislative Counsel

FBI Special Agents James F. Price and Paul V. Daly also appeared before the Committee on the Wilson case.

5. At Bill Miller's request, Mr. Knoche, Theodore Shackley, ADDO, and Roger Kirk, DD/INR/State stood by to explain Executive Branch objections to release of the Committee's interim report [redacted]. However, no witnesses were called and the Committee voted to alter the statement slightly and refer it to the President for his views on release. The changes in the statement did not satisfy Agency objections.

6. Mr. Waller opened the testimony by reading a summary statement on the Wilson case, emphasizing aspects relating to CIA and present CIA employees. The basic facts are that on 7 September 1976 a former employee informed a senior DDO official that former CIA employee Edwin P. Wilson, who ostensibly had a contract with the Libyan Government to clear World War II mine fields prior to oil exploration, also had a secret agreement to furnish equipment and training assistance in terrorist-related activities. Other former CIA employees worked with Mr. Wilson in this endeavor. Mr. Wilson was assisted in obtaining explosive timing devices by a current employee of the DDS&T. The FBI was alerted to these allegations on 13 September, the Intelligence Oversight Board was informed on 22 September, and the staff of the Senate Select Committee on Intelligence was informed in early October. The FBI conducted an investigation in late 1976 and requested that CIA defer its investigation. The DDS&T employee was placed on administrative leave with pay pending completion of the investigation. In December 1976, the FBI advised CIA that it had found no information which could lead to a criminal prosecution of the DDS&T employee. The CIA Inspector General then launched an investigation, which substantiated FBI findings but which also uncovered the following facts: the

SECRET

SECRET

7. Mr. Waller also discussed the activities of a second current Agency employee who was also the subject of an Office of the Inspector General investigation. [REDACTED]

25X1

25X1

25X1

8. Senator Inouye was quite disturbed at what he viewed as excessively light punishment received by the first employee. He contrasted this with his actions against a Committee staff member who had taken his briefcase out of the Committee office in order to work on classified material at home. He further questioned Agency officials about the various penalties which would ensue from security violations at CIA. Admiral Turner subsequently said off the record that he was personally reviewing the actions of both Agency employees, and implied that he might well decide that stronger punishment was warranted.

9. Both Senators Hart and Moynihan questioned Agency officials about regulations or other means to prevent contact by former employees with present Agency employees. Senator Hart stated that he believes the general public impression is that former employees have a carte blanche ability to get help from friends still employed by the Agency. Both Senators Moynihan and Hart said regulations would be desirable, and Senator Hart said this would be a very fruitful area for the Select Committee to investigate.

10. As he had during Admiral Turner's confirmation hearings, Senator Moynihan lamented the fact that outrageous charges can be made against CIA, and that CIA's no comment response or meek denial often results in the charges being generally believed both in this country and abroad. Senator Moynihan cited the example [REDACTED] and pleaded with FBI officials to solve this case.

25X1

11. There were no follow-up items.

25X1

[REDACTED]
Assistant Legislative Counsel

Distribution:

- 1 - DCI
- 1 - DDCI
- 1 - IG
- 1 - DDS&T
- 1 - OLC Chron
- 1 - OLC DEF:ims (12 May 1977)
- 1 - ER

SECRET